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Security Council

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Security Council Committee established pursuant to resolution 1267 (1999) concerning Al-Qaida and the Taliban and associated individuals and entities

Letter dated 19 September 2003 from the Permanent Representative of the Netherlands to the United Nations addressed to the Chairman of the Committee

Please find attached the report of the Netherlands on the implementation of Security Council resolution 1455 (2003) (see annex).

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Annex to the letter dated 19 September 2003 from the Permanent Representative of the Netherlands to the United Nations addressed to the Chairman of the Committee

Report of the Netherlands on the implementation of Security Council resolution 1455 (2003)

I. Introduction

1. Please provide a description of activities, if any, by Usama Bin Laden, Al-Qaida, the Taliban and their associates in your country, the threat they pose to the country and the region, as well as likely trends.

The activities of Al-Qaida and associated terrorist networks in the Netherlands mainly involve logistical and financial support. They are primarily criminal activities such as trading in and forging travel documents, credit card fraud and theft. Support activities also include recruiting young people to take part in the jihad, Al-Qaida's worldwide armed struggle.

The Dutch General Intelligence and Security Service ('AIVD') publisnes an annual report of its activities that gives a comprehensive account of the nature and extent of the terrorist threat to the Netherlands. An English version of this annual report is available at www.aivd.nl. Trends in Islamic terrorism, especially as they affect the Netherlands and Europe, are analysed in an annexe to the 2001 report.

The Taliban play only a marginal role in the Afghan community in the Netherlands.

II. Consolidated List

2. How has the 1267 Committee's list been incorporated within your legal system and your administrative structure, including financial supervision, police, immigration control, customs and consular authorities?

Council Regulation (EC) No. 881/2002 of 27 May 2002 imposing certain specific restrictive measures directed against certain persons and entities associated with Usama bin Laden, the Al-Qaida network and the Taliban orders the freezing of the assets of persons and organisations included on the list ('List') drawn up by UN Sanctions Committee 1267. All amendments to the List are automatically incorporated in the annexe to Regulation 881/2002. The Regulation also imposes a prohibition on making funds available or providing financial services to the listed persons/organisations. It applies directly to everyone in the Netherlands. In advance of a decision by the UN Sanctions Committee or its adoption by the

European Union, the Netherlands also has the option under Section 2 of the Sanctions Act 1977 of taking national measures by ministerial order if necessary. These measures carry equal weight to obligations under the UN resolution.

Under a decree pursuant to the Sanctions Act 1977 on the reporting of transactions that might be linked to terrorist financing, financial institutions are obliged to report any request for a financial service if a natural or legal person, group or entity appearing on the List is the requesting party or is involved in some other way. In such cases financial institutions have to notify the Disclosures Office for Unusual Transactions, which passes on the relevant details to the competent authorities.

The Fiscal Information and Investigation Service-Economic Investigation Service (FIOD-ECD) oversees compliance with the above-mentioned legislation. In addition, the financial supervisory authorities (i.e. the Dutch central bank, the Pensions and Insurance Board and the Netherlands Authority for the Financial Markets) oversee the extent to which the systems used by financial institutions allow for effective action to counter the financing of terrorism.

The violation of obligations arising from Council Regulation 881/2002 or national legislation is an offence under the Sanctions Act 1977 and the Economic Offences Act. If such a violation is intentional, the perpetrator may be sentenced to up to six years' imprisonment. This sentence, given the nature of the offences for which it can be imposed, is proportionate to the various maximum sentences that can be imposed under the terms of the Criminal Code for acts committed intentionally with a view to financing terrorism. Intentionality is not a requirement in the case of violations of the provisions of or pursuant to the Sanctions Act that are defined as criminal offences in the Economic Offences Act.

For legislation implementing the travel ban and the inclusion of listed individuals in the national 'stop list', see section IV.

The arms embargo and travel ban are implemented by EU Common Position No. 2002/402/CFSP, which places a binding obligation on EU member states. At national level, the arms embargo is implemented in administrative terms by denying the requisite licences (see also section V).

3. Have you encountered any problems with implementation with regard to the names and identifying information as currently included in the List? If so, please describe these problems.

The implementation of the financial sanctions and visa-related measures is impeded by a lack of identifiers for some of the names on the List. In the Netherlands, as regards visa-related measures, this means that names with insufficient identifiers cannot be included in the Schengen Information System. With regard to the implementation of the financial sanctions, if the List only gives a name without a date of birth or other identifying information, it is very difficult for financial institutions to search their systems for funds and other financial resources belonging to such a person. This problem was also raised by the Netherlands and the US in their best practices paper on the implementation of financial sanctions. This paper was a collaborative effort by the US and the Netherlands. All institutions that have a role in implementing financial sanctions were involved in the study to identify how this could best be done in practice.

4. Have your authorities identified inside your territory any designated individuals or entities? If so, please outline the actions that have been taken.

On 21 November 2002, the Benevolence International Foundation (BIF) was added to the List. It was established that BIF has a branch in the Netherlands known as Stichting Benevolence International Nederland (BIN). The Netherlands froze BIN's assets and BIN was added to the List as an alias of BIF at the request of the Netherlands. Details of the assets frozen in the Netherlands are given in the answer to question 12.

5. Please submit to the Committee, to the extent possible, the names of individuals or entities associated with Usama Bin Laden or members of the Taliban or Al-Qaida that have not been included in the List, unless to do so would compromise investigations or enforcement actions.

The various Dutch authorities are cooperating to submit to the Committee the names of persons and entities who meet the relevant criteria for inclusion on the List. The Netherlands did so in the case of BIN (see question 4) and will continue to do so where this does not compromise ongoing investigations.

6. Have any listed individuals or entities brought a lawsuit or engaged in legal proceedings of your country?

No.

7. Have you identified any of the listed individuals as nationals or residents of your country? Do your authorities have any relevant information about them not already included in the List? If so, please provide this information to the Committee as well as similar information on listed entities, as available.

The Dutch authorities have not identified any of the listed individuals as nationals or residents of the Netherlands. When relevant information becomes available regarding listed individuals, and we are able to share it, the Netherlands will do so. With regard to listed entities see the answer to question 4.

8. According to your national legislation, if any, please describe any measures you have taken to prevent entities and individuals from recruiting or supporting Al-Qaida members in carrying out activities inside your country, and to prevent individuals from participating in Al-Qaida training camps established in your territory or in another country?

Since the attacks on 11 September 2001, several people have been arrested in the Netherlands on suspicion of direct or indirect involvement in Islamic terrorism in general and/or the Al-Qaida network in particular. Almost all the arrests were made in response to information from the AIVD. As a consequence of the AIVD, the Public Prosecution Service and the police stepping up their efforts, the Netherlands made more arrests in 2002 than almost any other country in Europe.

Intensive investigations by the AIVD into recruitment activities in the Netherlands resulted, in April and June 2002, in the arrest of a group centered around a person linked to the GSPC (Groupe Salafiste pour la Prédication et le Combat), an Algerian terrorist group. This person escaped from the remand centre in Breda in June, but was apprehended again in November 2002 in France, partly due to the efforts of the AIVD. Another group of people who were recruiting for the jihad were arrested in August 2002. This group included someone previously linked by the AIVD to the LIFG (Libyan Islamic Fighting Group).

On 12 September 2002, the Iraqi Kurd Najamuddin Faraj Ahmed ('Mullah Krekar') – generally regarded as the leader of the Ansar al-Islam terrorist group – was denied entry to the Netherlands.

Dutch legislation equips law enforcement and prosecution services with adequate tools to prevent and combat terrorism. Criminal law meets the requirements set out in the various anti-terrorism conventions. The Netherlands also has regulations that permit the prompt freezing of assets belonging to persons or organisations linked to terrorism. Providing direct or indirect financial or economic support to such persons and organisations is an offence, and can lead to a prison sentence. In addition, a bill on terrorist crimes is expected to be enacted in 2003. This act will implement the European framework decision on combating terrorism. It provides for heavier sentencing for crimes committed with terrorist motives. It also makes a number of improvements to criminal law to halt terrorist recruitment activities. The fight against terrorism includes evaluating and if necessary amending legislation to take account of the changing face of terrorism.

III. Financial and Economic Asset Freeze

9. Please describe briefly:
– the domestic legal basis to implement the asset freeze required by the resolutions above
– any impediments under your domestic law in this context and steps taken to address them.

Please refer to the answer to question 2 for the legal basis. There are no impediments to an effective freezing mechanism in Dutch law.

10. Please describe any structures or mechanisms in place within your Government to identify and investigate Usama bin Laden, Al-Qaida or Taliban-related financial networks, or those who provide support to them or individuals, groups, undertakings and entities associated with them within your jurisdiction. Please indicate, as appropriate, how your efforts are coordinated nationally, regionally and/or internationally.

The answers to questions 2, 11 and 14 give a complete summary of financial institutions' statutory and other obligations to prevent the financing of terrorism and money laundering. In-depth investigations are being conducted in the Netherlands into the various facets of terrorism financing. This drive includes the creation of a working group by the Financial

Expertise Centre, a collaborative body made up of supervisory authorities and law enforcement agencies. This working group has been asked to analyse the flow of funds to terrorist groups and set out the available options for detecting, controlling and combating the risks posed by these financing activities. Its members are drawn from the AIVD, the Tax and Customs Administration, the FIOD-ECD, the National Police Services Agency, the Disclosures Office for Unusual Transactions, the Public Prosecution Service, Amsterdam police service and the financial supervisory authorities.

12. Resolution 1455 (2003) calls on Member States to provide 'a comprehensive summary of frozen assets of listed individuals and entities'. Please provide a list of the assets that have been frozen in accordance with this resolution. This list should also include assets frozen pursuant to resolutions 1267 (1999), 1333 (2001) and 1390 (2002).

In the Netherlands, the assets of Stichting Benevolence International Nederland have been frozen. It was added to the List as an alias of the Benevolence International Foundation in February 2003. A bank balance of EUR 2,763.21 belonging to this organisation has been frozen.

13. Please indicate whether you have released pursuant to resolution 1452 (2002) any funds, financial assets or economic assets that had previously been frozen as being related to Usama bin Laden or members of Al-Qaida or the Taliban or associated individuals or entities. If so, please provide reasons, amounts unfrozen or released and dates.

Immediately after 11 September, the assets of D.A. Afghanistan Bank in the Netherlands were frozen. This institution was included on the List. These assets – a bank balance of USD 495,000 – were released when the List was amended.

11. Please convey the steps banks and/or other financial institutions are required to take to locate and identify assets attributable to, or for the benefit of, Usama bin Laden or members of Al-Qaida or the Taliban, or associated entities or individuals. Please describe any 'due diligence' or 'know your customer' requirements. Please indicate how these requirements are enforced, including the names and activities of agencies responsible for oversight.
and
14. Pursuant to resolutions 1455 (2003), 1390 (2001), 1333 (2000) and 1267 (1999), States are to ensure that no funds, financial assets or economic resources are made available, directly or indirectly, to listed individuals or entities or for their benefit, by nationals or by any

persons within their territory. Please indicate the domestic legal basis, including a brief description of laws, regulations and/or procedures in place in your country to control the movements of such funds or assets to designated individuals and entities.

The rules and requirements mentioned below apply to all financial institutions unless otherwise stated.

The Ministry of Foreign Affairs, the Ministry of Finance and the Ministry of Justice, the AIVD, the Public Prosecution Service and the financial supervisory authorities have agreed procedures for the distribution to and processing by financial institutions of national and international lists of persons and entities with terrorist links (such as the List). These procedures can be outlined as follows. The Ministry of Finance receives the lists. In some cases they are evaluated by the AIVD, before being passed on to the financial supervisory authorities (Dutch central bank, the Pensions and Insurance Board and the Netherlands Authority for the Financial Markets). These authorities immediately post the lists on their websites, and send them in the form of circulars to the institutions they supervise. The financial institutions enter the names in their systems. If they get an exact hit (i.e. a name in their system matches one on the list) or a possible hit (i.e. the name almost matches), they immediately notify the Ministry of Finance and the AIVD. In the case of exact hits, the assets are frozen immediately. In the case of possible hits, the assets may be frozen, depending on the outcome of an investigation by the AIVD. In principle, investigations of this kind must be completed within two weeks. If there are grounds for initiating prosecution proceedings, the AIVD passes on the information received from the financial institution to the Public Prosecution Service.

If there is reason to assume that persons or organisations that appear on lists issued by the UN Sanctions Committee are in the Netherlands, or have links with the Netherlands of some other kind, this will of course prompt increased vigilance on the part of all concerned. If possible, financial institutions that may have assets attributable to the persons or groups concerned are approached directly by the government. The financial sector plays an important role in the effective implementation of the sanctions. The financial sanctions require an organisation's accounting system and internal controls to be of a high standard. A system has therefore been created whereby financial supervisory authorities draw up rules on accounting and internal controls designed to ensure that terrorist assets can be detected as effectively as possible. Rules have also been drawn up on the provision of information so

that more precise and comprehensive information can be obtained from financial institutions (Section 10 to 10h of the Sanctions Act 1977).

The regulations established under the Disclosure of Unusual Transactions (Financial Services) Act play an important part in controlling flows of funds. In the Netherlands, the obligation to report suspicious transactions applies to: banks, insurance companies, De Nederlandsche Bank NV (the Dutch central bank), credit card companies, securities institutions, currency exchange organisations, money transfer institutions, casinos, so-called 'gatekeepers' such as dealers in expensive goods (e.g. cars, ships, jewellery, diamonds, art and antiques) and persons practising liberal professions such as lawyers, notaries, estate agents, tax consultants, chartered accountants, and company managers.

The customs authority is not included in the Disclosure of Unusual Transactions (Financial Services) Act, but does report unusual movements of money and commodities to the Disclosures Office for Unusual Transactions under its internal guidelines. If money laundering is actually suspected, the person in question will be arrested and handed over to the criminal justice authorities. Customs may seize any items and assets they find.

The Tax and Customs Administration also has internal guidelines on reporting unusual transactions its officials encounter in the course of their work.

Note that for the purposes of the legislation regulating the obligation to report unusual obligations, what is relevant is not a person's stated occupation, but the service performed. This means that the reporting obligation is wider-ranging than the list of occupations suggests. Finally, rather than 'suspicious' transactions the Dutch legislation uses the broader term 'unusual' transactions, which means that the scope of the reporting obligation is wider than in many other countries. It is an offence under the Economic Offences Act (WED) to fail to report an unusual transaction.

The system covering unusual transactions is sufficiently wide-ranging to include the financing of terrorism. This is reflected not only by the unusual character of the reporting obligation (which exists regardless of whether or not there is a demonstrable link with any predicate offence) but also by the system of indicators or guidelines on the basis of which the institutions concerned are obliged to report. This detailed system goes beyond the automatic reporting of any transaction above a certain amount (which is anyway fairly small)

and includes the obligation to report on the client's behaviour, demeanour, attitude and stated wishes.

As soon as notification has been received, the Disclosures Office for Unusual Transactions matches the names of the people involved in the transaction against the police database containing the names of those persons then being investigated or more generally known to be serious criminals. Any match is immediately communicated to the police force concerned. The Disclosures Office for Unusual Transactions also receives requests for information from the National Prosecutor for Money Laundering. All information on transactions executed by the persons mentioned in the request is submitted to the National Prosecutor without delay. Finally, the Disclosures Office for Unusual Transactions has its own analysis and research unit and may, on the basis of a number of transactions, build its own file on one or more suspects. Having drawn up as extensive and complete a file as possible by gathering information from other sources, the office will then submit the file to the regional police force that would appear to be most closely connected to the case.

The efficient and effective implementation of financial sanctions and disclosure of unusual transactions hinges on proper identification. Financial and other institutions that are required to report unusual transactions are also obliged, under the Identification (Financial Services) Act, to identify their clients before providing a service. This obligation applies to both one-off transactions and dealings with long-standing customers. Customers have to identify themselves using reliable identification documents. If customers arrange for a third party to represent them, both the latter and the customer must be identified. If there is any doubt about the identity of a customer, the institution concerned must withhold its services. Institutions are required to retain identification information for five years. Dutch identification legislation is to be amended in the near future in line with the revised recommendations of the FATF (Financial Action Task Force on Money Laundering), in so far as the measures recommended are not already included in the legislation.

A decree on ethical business practice will enter into force in October 2003. It will require credit institutions, insurance companies, investment institutions, mutual associations and securities institutions to have internal rules in place on establishing the identity, nature and background of their customers, and to pursue an appropriate policy to ensure that confidence in their organisation or the financial markets in general is not damaged on account of their customers. Financial supervisory authorities will be able to set rules governing these requirements. They will be able to fine institutions that fail to comply. In

some cases such a failure will constitute an economic offence. Supervisory authorities, industry associations and the institutions themselves already issue recommendations and guidelines, but laying them down in the legislation ensures effective enforcement.

Compliance with the Disclosure of Unusual Transactions (Financial Services) Act and the Identification (Financial Services) Act is overseen by the Dutch central bank (banks, cash transaction offices, credit card companies and casinos), the Pensions and Insurance Board (insurance companies and pension funds), the Netherlands Authority for the Financial Markets (securities and investment institutions), FIOD-ECD (traders in high value commodities and brokers) and the Financial Supervision Office (other non-financial institutions). Failure to comply with the statutory rules is a criminal offence under the Economic Offences Act and carries a maximum prison sentence of four years.

Informal banking networks, such as Hawala, Hindi and Chit, are prohibited in the Netherlands, unless registered under the Money Transaction Offices Act. This act deals with money-transfer points and exchange offices. Any purveyor of such services who offers them without having been placed under the supervision of the Dutch central bank is committing an economic offence. All registered money transaction offices are required to check their systems against the published sanctions lists. Compliance with this requirement is overseen by the Dutch central bank. They must also meet the obligations set out in the Disclosure of Unusual Transactions (Financial Services) Act and the decree pursuant to the Sanctions Act 1977 on the reporting of transactions that might be linked to terrorist financing.

In accordance with the rules laid down by the Identification (Financial Services) Act, all dealers in gold, diamonds and other similar high value commodities are obliged to identify any customers wishing to pay EUR 15,000 or more in cash, or wishing to perform an unusual transaction. If dealers consider a transaction to be unusual, they must report it to the Disclosures Office for Unusual Transactions. Reports of this kind are processed as described above. In addition, it is illegal to import diamonds into the Netherlands without an origin certificate (Council Regulation (EC) No. 2368/2002 of 20 December 2002 implementing the Kimberley Process certification scheme for the international trade in rough diamonds).

The following instruments and measures are available in the Netherlands to prevent and counteract the abuse of non-profit status by organisations.

- All *stichtingen* (foundations) and associations are registered with the Chamber of Commerce, following approval by a notary.
- *Stichtingen* and associations are required to keep accounting records. They must also submit their financial statements to the Tax and Customs Administration if they wish to qualify for the reduced inheritance tax rate or if donors want their donations to be tax-deductible (around 17,000 organisations do so in the Netherlands).
- Under the Inheritance Act, the Tax and Customs Administration is responsible for auditing these financial statements and examining whether an organisation's spending is in the public interest. These audits are risk-oriented and are designed first and foremost to ensure the collection of any tax that is due.
- If there is serious doubt about whether a *stichting* is complying in good faith with the statutory requirements or its constitution, or whether the board is discharging its duties properly, the Public Prosecution Service is authorised to question the board of the *stichting*. Ultimately, measures resulting in the dismissal of directors or disbandment of the foundation may be taken.
- The Netherlands also has a Central Office for Fundraising Organisations (CBF), which oversees charities that agree voluntarily to abide by its standards. These are primarily the larger recognised charities (around 400). The CBF is considering extending its remit and introducing a degree of compulsion (e.g. making it known if a 'suspect' organisation refuses to allow the CBF to look into it).
- FIOD-ECD plays an active role in investigating organisations. Suspect flows of funds to foundations and non-profit organisations are actively detected by means of the Disclosures Office for Unusual Transactions. The AIVD is also very active. Its work has led to the assets of a number of charities in the Netherlands being frozen.

IV. Travel Ban

15. Please provide an outline of the legislative and/or administrative measures, if any, taken to implement the travel ban.

The travel ban is implemented via EU Common Position No. 2002/402/CFSP, which imposes a binding obligation on EU member states. For administrative measures, see question 16.

We would also point out that, after 11 September 2001, a great many counter-terrorism measures were taken, including various border control measures, partly based on European

Union conclusions and recommendations. At national level, special attention was paid to tightening border controls at the port of Rotterdam and Schiphol airport, as they are vital components of the infrastructure of the Netherlands. Information and risk analysis are central to border controls at the port of Rotterdam. Risk analysis was fully automated during 2002. Ensuring checks on travel documents are of a high standard is another important way of limiting terrorists' freedom of movement. The Netherlands is therefore investing in extra training for its border control officers to enhance their ability to identify forged and falsified travel documents. The European Union has carried out a study into the feasibility of a common visa data bank so that visa fraud can be countered more effectively. The Netherlands supports this initiative and encourages the use of biometric data. The European Council agreed on the further development of the data bank in June 2003. It will take a number of years to set up, however. The Netherlands is currently running a pilot scheme in Ghana, recording biometric data on persons granted visas. The biometric data is checked when the visa holder arrives in the Netherlands.

16. Have you included the names of the listed individuals in your national 'stop list'? Please briefly outline steps taken and any problems encountered.
and
19a. Please provide an outline of the measures, if any, taken to incorporate the List in the reference database of your Consular offices

The Netherlands is one of the countries to have implemented the Schengen Agreement on the gradual abolition of checks at the common borders. The Schengen Information System (SIS) is a key part of the Schengen Agreement. It is a large database that the signatory states supply with data, maintain and consult. Its purpose is to provide information to help maintain public order and safety. People can be reported in the SIS on a variety of grounds. These include refusing entry to persons who constitute a danger to public order or national security (article 96 of the Convention implementing the Schengen Agreement). Besides SIS, border control officers have a direct link with OPS, the national law enforcement database. Persons can be reported in the OPS for the Netherlands in connection with public order concerns. The OPS is particularly useful for reporting persons who cannot be included in the SIS for the purpose of being refused entry to the Schengen area because, for example, they have the right to reside in another Schengen country.

The Schengen partners have included some of the persons on the List in the SIS for the purpose of refusing entry. Only some have been included because in many cases the

personal particulars given on the List are not specific enough. It would not be possible to verify on the basis of these particulars whether a given person was indeed the person mentioned on the List.

This means in practice that, when a border control officer encounters a listed person included in the SIS, entry to the territory of the Schengen countries is refused. In addition, Dutch consular missions, having direct access to the SIS, can find out immediately if a visa applicant has been reported for the purpose of being refused entry.

The lack of personal particulars makes it difficult to implement the travel ban effectively. It is essential that as many particulars as possible (alias, date and place of birth, address, nationality, etc.) are known so that a listed person can be identified.

17. How often do you transmit the updated List to your border control authorities? Do you possess the capability of searching List data using electronic means at all your entry points?

Border control officers have electronic access to the relevant records at entry points, using a direct computer link to the SIS and the CPS. There is therefore no need to send updated lists.

18. Have you stopped any of the listed individuals at any of your border points or while transiting your territory? If so, please provide additional information, as appropriate.
and
19b. Have your visa-issuing authorities identified any visa applicant whose name appears on the List?

The Netherlands has not encountered any of the listed persons at its border points to date. Nor have any visa applications been received from persons identifiable as listed individuals.

V. Arms Embargo

20. What measures, if any, do you now have in place to prevent the acquisition of conventional arms and weapons of mass destruction (WMD) by Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them? What kind of export control do you have in

place to prevent the above targets from obtaining the items and technology necessary for weapons development and production?

Under Dutch law, all exports of military and dual-use goods from the Netherlands require a government licence. Applications for a licence are thoroughly checked. The final destination of the goods and the end use must be acceptable and are assessed against the criteria specified by the European Code of Conduct on Arms Exports as well as international arms embargoes (UN, EU, OSCE). If there is reason to suspect that the goods will be diverted to the Al-Qaida network and other persons/entities on the List (or other terrorist groups), the Dutch government will not grant an export licence. Dutch export laws are applicable to both exports of hardware and the associated technology.

21. What measures, if any, have you adopted to criminalize the violation of the arms embargo directed at Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated with them.

The export of military goods from the Netherlands without a licence issued by the government is a criminal offence under Dutch law punishable by up to six years' imprisonment.

22. Please describe how your arms/arms broker licensing system, if any, can prevent Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals groups, undertakings and entities associated with them from obtaining items under the established arms embargo.

Dutch citizens or companies resident in the Netherlands need a licence to engage in arms brokering activities if they are financially involved and can be considered to be the main party to the transaction. If the brokered arms deal entails a transfer of military goods within the European Union, a brokering licence is not, however, required. Applications for a licence for arms brokering are assessed against the same criteria as arms export applications. If a brokering transaction were to involve a terrorist group like the Al-Qaida network or other persons/entities on the List, or if there were reasons to suspect such an involvement, a licence would be denied. It is an offence under Dutch law for Dutch citizens or companies resident in the Netherlands to engage in arms brokering activities without a licence, even if the central brokering activities have taken place outside the Netherlands.

23. Do you have any safeguards that the weapons and ammunition produced within your country will not be diverted/used by Usama bin Laden, members of Al-Qaida organization and the Taliban and other individuals, groups, undertakings and entities associated?

See answers to questions 20, 21 and 22.

VI. Assistance and conclusion

24. Would your state be willing or able to provide assistance to other States to help them implement the measures contained in the above-mentioned resolutions? If so, please provide additional details or proposals.

The Netherlands is at present assisting two countries that have applied to join the European Union and NATO to improve the quality of their arms export control system. We have offered similar assistance to two other states. This support is given mainly in the form of technical assistance, and the exchange of information and expertise. The Netherlands would be willing to consider specific requests from other States for assistance with arms export controls or the other requirements of resolution 1455.

25. Please identify areas, if any, of any incomplete implementation of the Taliban/Al-Qaida sanctions regime and where you believe specific assistance or capacity building would improve your ability to implement the above sanctions regime.

Apart from the problem of identifiers, there are no specific implementation problems. The Netherlands has not identified any areas where it believes specific assistance or capacity building would improve its ability to implement the Taliban/Al-Qaida sanctions regime.

26. Please include any additional information you believe pertinent.